

110TH CONGRESS  
2D SESSION

# H. R. 5700

To amend the Internal Revenue Code of 1986 to allow a \$1,000 refundable credit for individuals who are bona fide volunteer members of volunteer firefighting and emergency medical service organizations.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 3, 2008

Mr. HINCHEY (for himself, Mrs. GILLIBRAND, Mr. ARCURI, Mr. HALL of New York, Mr. HOLT, Mr. ENGEL, Mr. MCGOVERN, Mr. McNULTY, Mrs. MCCARTHY of New York, Mr. KENNEDY, Mr. GOODE, Mr. DAVID DAVIS of Tennessee, Mr. RODRIGUEZ, Ms. SHEA-PORTER, Mr. LOEBSACK, Mr. ANDREWS, Mr. ALEXANDER, Mr. ALTMIRE, and Mr. BISHOP of New York) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Internal Revenue Code of 1986 to allow a \$1,000 refundable credit for individuals who are bona fide volunteer members of volunteer firefighting and emergency medical service organizations.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Supporting Emergency  
5       Responders Volunteer Efforts Act of 2008” or the  
6       “SERVE Act of 2008”.

1 **SEC. 2. REFUNDABLE CREDIT FOR BONA FIDE VOLUNTEER**  
 2 **MEMBERS OF VOLUNTEER EMERGENCY RE-**  
 3 **SPONSE ORGANIZATIONS.**

4 (a) IN GENERAL.—Subpart C of part IV of sub-  
 5 chapter A of chapter 1 of the Internal Revenue Code of  
 6 1986 (relating to refundable credits) is amended by redес-  
 7 ignating section 36 as section 37 and by inserting after  
 8 section 35 the following new section:

9 **“SEC. 36. BONA FIDE VOLUNTEER MEMBERS OF VOLUN-**  
 10 **TEER EMERGENCY RESPONSE ORGANIZA-**  
 11 **TIONS.**

12 “(a) IN GENERAL.—In the case of an individual who  
 13 at any time during the taxable year is a bona fide volun-  
 14 teer member of a qualified volunteer emergency response  
 15 organization, there shall be allowed as a credit against the  
 16 tax imposed by this subtitle the amount of \$1,000.

17 “(b) PART-YEAR ACTIVE MEMBERS.—In the case of  
 18 an individual who is a bona fide volunteer member of a  
 19 qualified volunteer emergency response organizations for  
 20 only a portion of a taxable year, the amount of the credit  
 21 under subsection (a) for such taxable year shall be an  
 22 amount which bears the same ratio to \$1,000 as such por-  
 23 tion bears to the entire taxable year.

24 “(c) DEFINITIONS.—For purposes of this section—

1           “(1) BONA FIDE VOLUNTEER MEMBER OF A  
2           QUALIFIED VOLUNTEER EMERGENCY RESPONSE OR-  
3           GANIZATIONS.—

4           “(A) IN GENERAL.—An individual shall be  
5           treated as a bona fide volunteer of a qualified  
6           volunteer emergency response organizations for  
7           purposes of this section if—

8           “(i) the only compensation received by  
9           such individual for performing qualified  
10          services is in the form of—

11          “(I) reimbursement for (or a rea-  
12          sonable allowance for) reasonable ex-  
13          penses incurred in the performance of  
14          such services, or

15          “(II) reasonable benefits (includ-  
16          ing length of service awards), and  
17          nominal fees for such services, cus-  
18          tomarily paid by eligible employers in  
19          connection with the performance of  
20          such services by volunteers, and

21          “(ii) the aggregate amount of such  
22          compensation for the taxable year for pro-  
23          viding qualified services does not exceed an  
24          amount equal to the annual limitation.

1 “(B) ANNUAL LIMITATION.—For purposes  
2 of subparagraph (A), the annual limitation is  
3 an amount equal to the product of—

4 “(i) the minimum wage in effect  
5 under section 6(a)(1) of the Fair Labor  
6 Standards Act of 1938 (29 U.S.C.  
7 206(a)(1)) on the first day of the calendar  
8 year beginning in the taxable year, multi-  
9 plied by

10 “(ii) 2,080 hours.

11 “(C) COORDINATION WITH EXCLUSION.—  
12 Amounts excluded from gross income under sec-  
13 tion 139B shall not be taken into account for  
14 purposes of subparagraph (A).

15 “(2) QUALIFIED SERVICES.—For purposes of  
16 this paragraph, the term ‘qualified services’ means  
17 fire fighting and prevention services, emergency  
18 medical services, and ambulance services.

19 “(3) QUALIFIED VOLUNTEER EMERGENCY RE-  
20 SPONSE ORGANIZATIONS.—The term ‘qualified vol-  
21 unteer emergency response organizations’ has the  
22 meaning given such term by section 139B(c)(3).”.

23 (b) CONFORMING AMENDMENTS.—

1           (1) Paragraph (2) of section 1324(b) of title  
2       31, United States Code, is amended by inserting “or  
3       36” after “section 35”.

4           (2) The table of sections for subpart C of part  
5       IV of subchapter A of chapter 1 of the Internal Rev-  
6       enue Code of 1986 is amended by redesignating the  
7       item relating to section 36 as an item relating to  
8       section 37 and by inserting before the item relating  
9       to section 37 the following new item:

“Sec. 36. Bona fide volunteer members of volunteer emergency response organi-  
zations.”.

10       (c) EFFECTIVE DATE.—The amendments made by  
11       this section shall apply to taxable years beginning after  
12       the date of the enactment of this Act.

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